

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
STATE BOUNDARY COMMISSION

In the matter of:

**Boundary Commission
Docket #07-AP-6**

**The proposed annexation of territory
in Danby Township to the City of Portland,
Ionia County.**

**SUMMARY OF PROCEEDINGS,
FINDINGS OF FACT AND CONCLUSIONS OF LAW**

SUMMARY OF PROCEEDINGS

1. On July 27, 2007, a petition designated as Docket #07-AP-6 was filed with the State Boundary Commission requesting the annexation of certain territory in Danby Township to the City of Portland, which is described in Attachment A.
2. On November 8, 2007, a conditional transfer of property agreement, pursuant to 1985 PA 425, between the City of Portland and Danby Township, was filed with the Secretary of State, Office of the Great Seal (Attachment B), pursuant to 1984 PA 425. The territory described in the 425 Agreement includes a portion of the same territory that is described for annexation in Boundary Commission Docket #07-AP-6.
3. On December 13, 2007, at an adjudicative meeting held in Okemos, the State Boundary Commission examined the petition for legal sufficiency. The Commission unanimously determined this petition as legally insufficient.
4. On December 13, 2007, at an adjudicative meeting held in Okemos, the Boundary Commission unanimously adopted this Summary of Proceedings, Findings of Fact and Conclusions of Law to reject this petition for legal sufficiency.

FINDINGS OF FACT

1. A conditional transfer of property agreement, pursuant to 1984 PA 425, executed between the City of Portland and Danby Township, was filed with the Secretary of State, Office of the Great Seal on November 8, 2007, and designated as OGS Job Number 07-425 (Attachment B).
2. The territory described in the 425 Agreement includes a portion of the same territory that is described for annexation in Boundary Commission Docket #07-AP-6.
3. Section 9 of Public Act 425 states that "while a contract under this act is in effect, another method of annexation or transfer shall not take place for any portion of an area transferred under the contract."

CONCLUSIONS OF LAW

1. The Findings of Fact in this docket support the unanimous decision of the Boundary Commission to **reject** this petition for legal sufficiency on the ground that a portion of the territory described for annexation to the Docket #07-AP-6 is also the subject of a conditional transfer of property agreement pursuant to 1984 PA 425.
2. Pursuant to 1968 PA 191, and Boundary Commission Administrative Rule R 123.47, a copy of this Summary of Proceedings, Findings of Fact and Conclusions of Law shall be transmitted to the petitioner, and to the clerks of the City of Portland, the Township of Danby, and the County of Ionia.

Kenneth VerBurg, Chairman

December 13, 2007

Attachment A

LEGAL DESCRIPTION: PART OF THE NW1/4 OF SECTION 3, T5N-R5W, DANBY TOWNSHIP, IONIA COUNTY, MICHIGAN, DESCRIBED AS: BEGINNING AT THE NORTH ¼ CORNER OF SAID SECTION 3; THENCE S 00° 29' 22" E 659.00 FEET ALONG THE PORTLAND CITY LIMITS, BEING THE NORTH-SOUTH ¼ LINE OF SECTION 3; THENCE S 89° 42' 23" W 659.84 FEET; THENCE N 00° 33' 35" W 659.00 FEET; THENCE N 89° 42' 33" E 660.65 ALONG THE PORTLAND CITY LIMITS, BEING THE NORTH LINE OF SECTION 3 TO THE POINT OF BEGINNING.



STATE OF MICHIGAN
TERRI LYNN LAND, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

RECEIVED
DEPT. OF LABOR & ECONOMIC GROWTH

NOV 28 2007

November 20, 2007

STATE BOUNDARY COMMISSION

Ms. Yvonne M. Miller
City Clerk
City of Portland
259 Kent Street
Portland, MI 48875

Attachment B

RE: Conditional Transfer of Property "City Property" "Church Property"

Dear Ms. Miller:

This letter serves to acknowledge the Office of the Great Seal's receipt on November 8, 2007 of the filing of the conditional transfer of property pursuant to Public Act 425 of 1984, as amended, from Danby Township to the City of Portland. The receipt date is the effective date of this boundary change. This filing has been designated as Job Number 07-425.

All property descriptions for any boundary changes are reviewed by the Michigan Department of Transportation (MDOT), and then published annually in the Michigan Public and Local Acts manual. If any property description is found inaccurate by MDOT, this office will contact you at that time and request a corrected description, which will not impact the effective date of the boundary change.

*****No further acknowledgment will be sent*****

Sincerely,

Debbie Anchak, Analyst
Legal Policy and Procedures Section
517-335-7293

cc: Danby Township Clerk

Ionia County Clerk

Michigan Department of Labor and Economic Growth, State Boundary Commission

Michigan Department of Labor and Economic Growth, Liquor Control Commission

Michigan Department of Labor and Economic Growth, Office of Land Survey and
Remonumentation

Michigan Department of Information Technology, Center for Geographic Information

Michigan Department of Treasury, Office of Revenue and Tax Analysis

Michigan Department of Transportation, Bureau of Transportation Planning

U.S. Bureau of the Census

Office of the Great Seal Job Number: 07-425

Cities
Ionia County

In the matter of the conditional transfer of certain property located in Danby Township to the City of Portland. Conditionally transferred in accordance with the provisions of Public Act 425 of 1984, as amended the following described property:

"City Property"

LEGAL DESCRIPTION: THE NORTH 104 ACRES OF THE NE 1/4 OF SECTION 3, T5N-R5W, IONIA COUNTY, MICHIGAN EXCEPT THAT PORTION OF LAND LYING EAST OF GRAND RIVER AVENUE. ALSO EXCEPTING LAND DESCRIBED AS: BEGINNING AT A POINT ON THE CENTERLINE OF GRAND RIVER AVENUE 430.2 FEET SOUTHEASTERLY FROM THE INTERSECTION OF SAID HIGHWAY WITH THE SECTION LINE BETWEEN SECTION 3, T5N-R5W, AND SECTION 34, T6N-R5W; THENCE SOUTHEASTERLY 195.92 FEET; THENCE SOUTHWESTERLY 415 FEET ALONG AN EXISTING FENCE LINE; THENCE NORTHWESTERLY 195.92 FEET IN A LINE PARALLEL WITH THE HIGHWAY; THENCE NORTHEASTERLY 415 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL ALSO BEING DESCRIBED AS: BEGINNING AT THE NORTH 1/4 CORNER OF SECTION 3, T5N-R5W, DANBY TOWNSHIP, IONIA COUNTY, MICHIGAN; THENCE N 89° 39' 24" E 1061.25 FEET ALONG THE NORTH LINE OF SECTION 3 TO THE CENTERLINE OF GRAND RIVER AVENUE; THENCE ALONG SAID CENTERLINE S 31° 22' 02" E 430.20 FEET (MEASURED 430.67 FEET); THENCE S 59° 27' 02" W 415.00 FEET (MEASURED 415.49 FEET); THENCE S 31° 17' 14" E 195.92 FEET; THENCE N 59° 28' 39" E 415.00 FEET (MEASURED 415.77 FEET) TO THE CENTERLINE OF GRAND RIVER AVENUE; THENCE ALONG SAID CENTERLINE S 31° 22' 02" E 1332.87 FEET; THENCE S 89° 42' 15" W 2066.64 FEET ALONG THE SOUTH LINE OF THE NORTH 104 ACRES OF THE NE 1/4 OF SECTION 3; THENCE N 00° 30' 02" W 1677.63 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SECTION 3 TO THE POINT OF BEGINNING.

"Church Property"

Part of the NW 1/4 of Section 3, T5N-R5W, Danby Township, Ionia County, Michigan, described as: Beginning at the North 1/4 corner of Section 3; thence S 00°30'29" E 659.33 feet along the North-South 1/4 line of Section 3; thence S 89°42'23" W 659.84 feet along the South line of the North 20 acres of the NE 1/4 of the NW 1/4 of Section 3; thence N 00°33'35" W 659.00 feet; thence N 89°40'39" E 660.43 feet along the North line of Section 3 to the point of beginning.



November 7, 2007

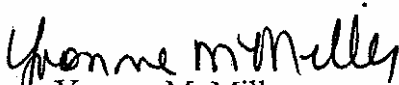
Office of the Great Seal
717 W. Allegan St.
Lansing, MI 48918-1750

Dear Office of the Great Seal:

Please find enclosed a signed copy of the Agreement for Conditional Transfer of Property and Tax Sharing between Danby Township and the City of Portland as approved by City Council at their November 5, 2007 meeting.

If you need further information, or have any questions, please feel free to give me a call at 517-647-3211.

Respectfully,


Yvonne M. Miller
City Clerk

RECEIVED/FILED
MICHIGAN DEPT. OF STATE
2007 NOV - 8 PM 2:18
OFFICE OF THE GREAT SEAL

"The City of Portland is an equal opportunity provider and employer."

AGREEMENT FOR
CONDITIONAL TRANSFER OF PROPERTY
AND TAX SHARING

This Agreement for Conditional Transfer of Property and Tax Sharing is made as of November 1, 2007, between the City of Portland, a Michigan home rule city organized and existing under the Home Rule Cities Act, 1909 PA 279, as amended, MCL 117.1 *et seq.* ("Act 279"), with its offices at 259 Kent Street Portland, MI 48875-1495 (the "**City**") and the Township of Danby, a Michigan general law township organized and existing under RS 1846, c.16, as amended, MCL 41.1 *et seq.*, with its offices at 13122 Charlotte Hwy, Sunfield, MI 48890 (the "**Township**").

RECITALS

- A. The City owns the property described on the attached Exhibit A as the "**City Property**" and the property described on the attached Exhibit A as the "**Church Property**" is owned by a private, non-profit entity (collectively the "**Transferred Property**").
- B. The City annexed the City Property by resolution adopted on January 23, 2007.
- C. In April, 2007, citizens of the City and the Township filed petitions to detach the City Property from the City's jurisdiction to return it to the Township's jurisdiction.
- D. The Ionia County Board of Commissioners scheduled the election on that detachment to occur on the November 6, 2007 election date.
- E. The parties both believe it will be advantageous to the greater community for the Transferred Property to be developed for commercial or mixed use purposes.
- F. City water and sanitary sewer service would enhance the likelihood of its development in a manner both parties would find desirable.
- G. Under current City policy, new City water and sanitary sewer service will be made available only to property lying within the City's jurisdictional limits and only if the property is also served by City electrical power service.
- H. The City Property currently has no electrical power service while the Church Property is currently served by electrical power service.
- I. Serving the City Property with City water and sanitary sewer service could most efficiently be accomplished by laying the needed lines within the Grand River Avenue right-of-way lying within the Township's jurisdictional limits but Article VII, Section 29 of the Michigan Constitution of 1963, requires the Township's consent to lay those lines in that right-of-way.
- J. The parties wish to address these issues in a manner that also benefits the potential occupants, owners, and developers of the City Property and enhances its potential for quality economic development.
- K. Section 9b of Act 279, together with Act No. 7 of the Extra Session of 1967, as amended ("**Act 7**"), enable the City and the Township to detach property from the City by an agreement and resolutions of the governing bodies of each.
- L. Act No. 425 of the Public Acts of Michigan of 1984, as amended ("**Act 425**"), enables two local units to conditionally transfer property for the purpose of an economic development

project pursuant to a written contract between the affected local units which complies with Act 425.

M. Act 7 allows local governmental units to enter inter-local agreements providing for the joint exercise of any power, privilege or authority which the local governmental units share in common and which each might exercise separately, including the sharing of revenue derived from the levy of *ad valorem* real and personal property taxes.

N. Property conditionally transferred from the jurisdiction of one governmental unit to another under Act 425 is not subject to annexation or other transfer of jurisdiction.

O. Each party is a "local governmental unit" as defined in Act 7 and a "local unit" as defined in Act 425.

P. The anticipated development on the City Property is an "economic development project" as defined in Act 425.

Q. The construction of a community building on the Church Property and the anticipated extension of the City's water and sanitary sewer is an "economic development project" as defined in Act 425.

R. Prior to entering into this Agreement, the parties considered all the factors required to be considered under Section 3 of Act 425.

S. After giving notice as required by Michigan's Open Meetings Act, the City Council held a public hearing on September 17, 2007, at 7 p.m., and the Township Board held a public hearing on September 11, 2007, at 7 p.m., regarding this Agreement and the effects of this Agreement.

T. The City Council and the Township Board have each decided, by a majority vote of the members elected and serving on each body, to enter into this Agreement.

U. Neither the City Council nor the Township Board adopted a resolution calling for a referendum on this Agreement or the effects of this Agreement, more than 45 days have elapsed since the adoption of the resolution of each body approving this Agreement and neither the City Clerk nor the Township Clerk has received a petition calling for a referendum on this Agreement or its effects.

TERMS AND CONDITIONS

In exchange for the consideration in or referred to by this Agreement, the parties agree:

1. Detachment and Transfer of Property.

(a) The City Property is hereby detached from the City and returned to the Township; if, however, the City Property has been detached prior to the effective date of this Agreement, this subsection (a) shall have no effect but subsection (b) will remain in effect.

(b) The Transferred Property is hereby conditionally transferred from the Township to the City and shall for all purposes except as specifically otherwise provided in this Agreement, shall be and shall be treated as being in jurisdiction of the City.

(c) The parties agree that this Agreement obviates the need for the election on the detachment issue currently scheduled for November 6, 2007, and they agree that a

lawsuit should be filed to obtain a court order removing the detachment issue from the ballot. The parties further agree that, to the extent MCL 123.1 *et seq.* may apply in this situation, this Agreement constitutes a full settlement agreement under that statute fully addressing the rights, duties and obligations of both parties.

2. Municipal Services. The City shall provide the City Property with City fire protection, police protection, ambulance service, sanitary sewer, water, storm sewer, solid waste disposal, roads, electric utility, and all other municipal services provided by the City and shall provide all such services except electric utility service to the Church Property to the same extent and under the same terms as they are provided by the City to other property in the City, and the Township shall have no obligation to provide any municipal services to the Transferred Property. However, the parties agree this Agreement shall not serve as any precedent for who will provide electric utility service to any property that may be the subject of any future agreement between the parties regarding the conditional transfer or annexation of any property from the jurisdiction of the Township to the jurisdiction of the City.

3. Municipal Authority. The Transferred Property shall be under the City's jurisdiction and authority for all purposes.

4. Liens. Existing Township liens against the Transferred Property, if any, for special assessments, taxes, and other purposes, shall remain in full force and effect and shall be enforceable just as if the Transferred Property were remaining within the Township.

5. Consent and Franchise.

(a) The Township consents to the City's use of the Grand River Avenue right-of-way lying within the Township as depicted on the drawing attached as Exhibit B for placement of utility lines and appurtenances to serve the City Property with City utility services. This is not a franchise and does not grant any approvals to serve any property lying within the Township's jurisdictional limits. The City shall obtain any other required consents, permits, or other approvals from any other governmental units and agrees to the following conditions:

(i) Prior to any construction of water or sanitary sewer lines or related facilities, the City shall submit plans prepared by its engineer to the Township for review and approval, which shall not be unreasonably withheld. The water and sanitary sewer lines and related facilities shall be constructed substantially in accordance with plans approved by the Township. Any material changes in the approved plans or deviation of the construction from the approved plans shall require the prior written approval of the Township, which shall not be unreasonably withheld.

(ii) The City shall have the right to conduct ordinary and routine maintenance, repair and replacement work on the City water and sanitary sewer facilities constructed pursuant to this Agreement.

(iii) The Township shall have no duties or responsibilities with regard to the City water and sanitary sewer lines and facilities constructed pursuant to this Agreement and the Township shall not be responsible for any cost or expenses associated with them.

(iv) During the term of this Agreement, the City shall not use the existence of the water or sanitary sewer lines constructed pursuant to this Agreement to justify or

support any annexation of property from the Township to the City, no matter who initiates the annexation effort. Furthermore, the parties agree that any body (including the State Boundary Commission or its successor) should view any such annexation effort as if any City water or sanitary sewer lines constructed pursuant to this Agreement do not exist.

(v) The City shall provide the Township proof of liability insurance in the aggregate amount of \$2,000,000.00 per occurrence, insuring against all possible hazards or damages to property and injuries to persons caused by the construction, operation or maintenance of the water or sanitary sewer transmission, distribution or collection system, which amount of coverage may be periodically increased by the Township Board due to inflation. Said insurance policy shall name the Township as both co-beneficiary and co-insured. The minimum coverage amount of the insurance policy shall be reviewed by the Township Board each five (5) year period after the commencement of this Agreement and shall be adjusted to reflect inflation. Under no circumstances shall the amount of coverage of the liability insurance policy be considered a limitation of the City's liability for damages, injuries, or other tort claims due to the construction, operation or maintenance of the water or sanitary sewer transmission, distribution or collection system.

(vi) The City shall hold the Township, its officers and employees harmless from, and indemnify them for and defend them (with legal counsel reasonably acceptable to the Township) against any claims, demands, judgments, awards, fines, penalties or other losses or expenses arising from or related to the location, construction, installation, use, operation, maintenance, repair, replacement or improvement of any part of the water and sanitary sewer lines constructed pursuant to this Agreement, except to the extent they arise from the Township's wrongful or negligent acts.

(vii) Neither the Township nor its officers, agents, employees, or contractors, shall be liable to the City or the Church for any interference with or disruption in the operation of the water and sanitary sewer lines and facilities constructed pursuant to this Agreement, except for the sole negligence or willful misconduct of the Township, its agents, officers, employees, or contractors.

(b) The City acknowledges and agrees that HomeWorks Tri-County Electric Cooperative, Inc., its successors and assigns ("Tri-County") has an existing irrevocable franchise to serve the Township with electrical utility service, including the Church Property, adopted by the voters of the Township which will terminate on July 12, 2019. Upon expiration of such franchise and upon the expiration of each subsequent renewal of such franchise during the term of this Agreement and any renewal, the City shall renew Tri-County's franchise by granting to Tri-County a 30 year limited franchise, revocable at will but only after written notice to and for the Township and Tri-County to be heard by the City Council prior to any revocation or any non-renewal under the same or substantially similar terms, to continue to serve the Church Property and only the Church Property with electric utility service. That franchise shall take immediate effect following the expiration of the existing franchise on July 12, 2019. During the term of the conditional transfer under this Agreement and any renewal, the City shall not, unless Tri-County otherwise consents in writing, serve the Church Property with electric utility service. That franchise shall state it shall not serve as any precedent for who will provide electric utility

service to any property that may be the subject of any future agreement between the City and the Township regarding the conditional transfer or annexation of any property from the jurisdiction of the Township to the jurisdiction of the City. If, during the term of the conditional transfer under this Agreement and any renewal, the City revokes the franchise to be granted pursuant this subsection or fails to renew the franchise to be granted pursuant this subsection under the same or similar terms, and that revocation or non-renewal does not arise from Tri-County's material breach of the terms of the franchise, the Church Property shall revert to the jurisdiction of the Township, but the City shall be obligated to continue to serve the Church Property with City water and sanitary sewer service under the same terms and conditions as it serves property within the jurisdictional limits of the City. In that case, the Township shall, without cost to the City, grant the City a franchise to serve the Church Property with City water and sanitary sewer service which shall have the same terms as the franchise to serve the City Property.

6. Taxes. The Transferred Property shall be considered to be within the jurisdiction of the City for purposes of all taxation.

7. Sharing of Taxes and Revenue Sharing. Taxes and revenue sharing payments on the Transferred Property shall be shared by the parties hereto as follows:

(a) On or before December 1, 2008, and annually thereafter until December 31, 2032 the City shall pay to the Township an amount equal to 2.5 mils levied against the taxable value of the taxable real and personal property and improvements on the Transferred Property, determined as of December 31 of the prior year. Commencing December 1, 2033 and annually thereafter during the term of this Agreement, the City shall pay to the Township an amount equal to 2.0 mils levied against the taxable value of the taxable real and personal property and improvements on the Transferred Property, determined as of December 31 of the prior year.

(b) Any amount not paid as required above by December 1 of each year shall bear interest at the rate of 1.0% per month until paid. Any amount remaining unpaid by March 1 of any year shall, in addition, bear a four percent 4.0% delinquency charge.

(c) Upon any request for a tax abatement or tax exemption for any portion of the City Property, the City Council shall give to the Township written notice of that request and of the date and time of the hearing on or consideration of that request. If the City Council grants the abatement, such abatement or exemption shall not change or alter the tax and revenue sharing arrangement of this Agreement unless and until the Township adopts a resolution agreeing to proportionally share in the loss of tax revenue. However, if a tax exemption is required by statute or operation of law, including, without limitation, for religious, charitable or educational institutions, hospitals, governmental entities, etc., then the parties will share proportionately in the loss of tax revenues resulting from the exemption.

(d) The Township shall remit to the City for any required repayment to a taxpayer the Township's *pro-rata* portion of any amounts to be returned to a taxpayer because of a reduction in taxable value imposed by the State Tax Commission, Michigan Tax Tribunal or other governmental agency or court of competent jurisdiction, together with interest thereon at the rates and from the dates ordered by such agency or court.

(e) The City shall receive all such state shared revenue in respect to the Subject Property, but will remit to the Township 65% of the revenue sharing collected after January 1, 2033, with the City retaining the balance of any such state shared revenue it receives. The City shall pay the Township its share of any state shared revenue payments within 30 days after the City receives any state shared revenue payments.

(f) Should the method of *ad valorem* real and/or personal property taxation or the formula for state shared revenue change in the future, such that the amounts shared pursuant to this Section become clearly excessive or clearly inadequate, then either the City or the Township may request that the amount of revenues shared be rebalanced to achieve as closely as possible the original intent of this Agreement. Any dispute under this rebalancing provision shall be resolved in accordance with Section 12 below.

8. Gifts, Grants, Assistance Funds, or Bequests. The Transferred Property shall be treated as being within the jurisdiction of the City for purposes of gifts, grants, assistance funds, bequests, or any other funds from any private or public source given as a result of the Transferred Property, an activity performed upon the Transferred Property, the occupancy of the Transferred Property, or for any other reason arising from the existence or jurisdiction of the Transferred Property, such funds being distributed to the City alone and not shared with the Township, except as provided in Section 7.

9. Indemnification. If the Township or its officers or employees incur liabilities or costs defending claims or suits against them directly or indirectly as a result of entering into this Agreement, except liabilities or costs incurred as a result of a dispute between the parties to this Agreement, the City agrees to defend, to hold harmless and indemnify the Township and its officials and employees from and against any fees, costs, damages, judgments, liabilities or claims required to defend or settle said actions.

10. Term and Termination.

(a) This Agreement shall take effect upon the date of its filing with the Secretary of State and the Ionia County Clerk.

(b) The conditional transfer of the Transferred Property shall terminate on November 1, 2057. This Agreement shall be renewed for one additional term of fifty (50) years commencing at 12:00 a.m. on November 2, 2057 and terminating at 11:59 p.m. on November 2, 2107, unless both the City and the Township adopt resolutions terminating this Agreement and/or any renewal. Upon the expiration of this Agreement and any renewal, the Transferred Property shall remain for all purposes within the City and the City's jurisdiction.

(c) The provisions of Sections 7, 8, 9, 11 and 12 shall remain in effect in perpetuity unless terminated either by further written agreement of the parties or by operation of state law.

11. No Other Annexation or Transfer. As long as this Agreement or any provision of this Agreement remains in effect, the Transferred Property may not be used for establishing any contiguity with the City for purposes of annexation and the parties each agree that it will not initiate, participate in, encourage, support or otherwise further any efforts to annex or detach the Transferred Property and that it will not initiate, participate in, encourage, support or otherwise

further any efforts to annex, detach or otherwise transfer the jurisdiction of any property adjacent to the Transferred Property except by an agreement with terms the same as this Agreement. If the owner of property adjacent to the Transferred Property seeks to obtain City water and/or sanitary sewer services or otherwise wishes to transfer or annex that adjacent property to the City's jurisdiction, the Township shall approve the conditional transfer of that property to the City's jurisdiction under an agreement substantially the same as this Agreement except to the extent such property is already served with electric utility service, in which case the Township shall approve an agreement substantially the same as this Agreement with the exception that it shall provide for a 30 year franchise for the existing electric utility service provider to continue to maintain the existing service and any extension of service to any additional points of delivery within the transferred property will be addressed in that Agreement.

12. Enforcement. In case of any dispute about or arising from this Agreement the parties agree:

(a) The party believing it is aggrieved shall first submit to the other party a written statement providing in great detail the legal and factual basis for its position. The party receiving that statement shall, within 14 days thereafter, respond to the initiating party with a written statement providing in great detail the legal and factual basis for its position, including any places where it agrees with the initiating party's statement. Within 14 days after that written response, representatives of the parties shall meet to resolve the dispute. Within 7 days following the meeting, each party shall provide the other with a written statement summarizing the results of the meeting. Compliance with the procedure in this subsection shall be a condition precedent to exercising any other remedies.

(b) If any dispute that remains unresolved after the completion procedure outlined in the preceding subsection (a), the parties shall submit the matter to binding arbitration by an arbitrator mutually selected by the parties who, by experience and learning, has the expertise to address the subject matter of the dispute (e.g., if it is a dispute under paragraph 7, it shall be an arbitrator with knowledge and experience in dealing with municipal taxation, revenue sharing and finance matters). If the parties cannot agree on a single arbitrator, they shall each select a qualified arbitrator and the two arbitrators shall select a third qualified arbitrator. The decision shall be made by a majority vote of the arbitration panel. The parties shall equally share in the cost of the arbitration unless the individual arbitrator or panel finds either party's position to be so untenable as to merit having that party pay all the costs of the arbitration and/or the costs incurred by the prevailing party to bring, maintain or defend the dispute from its first accrual or notice thereof through any arbitration and resulting judicial proceedings. The parties shall each have the discovery rights provided under the Michigan Court Rules for cases filed in circuit court. The individual arbitrator or the panel shall rely on information generally relied upon by persons in the conduct of their serious business. Arbitrators shall be selected within 21 days after the completion of the procedure provided in subsection (a) and the arbitration hearing shall be held at a place agreed upon by the parties or, if they cannot agree, as determined by the individual arbitrator or panel, within 63 days after the individual arbitrator or panel is finally selected and a decision shall be provided within 28 days after the conclusion of the hearing. Any dispute about the qualifications of any

arbitrator shall be resolved by the Ionia County Circuit Court in a proceeding brought by the challenging party prior to the date of the arbitration hearing.

(c) Any arbitration decision under subsection (b) shall be binding, except that either party may challenge in the Ionia County Circuit Court any decision that is clearly contrary to applicable law. Either party may seek to enforce the arbitration decision by order of the Ionia County Circuit Court.

13. Miscellaneous.

(a) Any notice, demand or communication required, permitted, or desired to be given under this Agreement shall be deemed effectively given when personally delivered or mailed by prepaid certified mail, return receipt requested, addressed as follows:

Township of Danby
Attention: Supervisor
13122 Charlotte Hwy
Sunfield, MI 48890-9784

City of Portland
Attention: City Manager
259 Kent Street
Portland, MI 48875-1495

Any changes to the above addresses shall be promptly communicated to the other party in the manner described above.

(b) No assignment of this Agreement or the rights and obligations hereunder shall be valid without the specific written consent of both parties hereto.

(c) The waiver by either party of or failure of any party to seek a remedy for a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision hereof.

(d) The headings in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. However, the recitals form an integral part of this Agreement.

(e) This Agreement supersedes all previous or contemporaneous contracts and constitutes the entire agreement between the parties. Neither party shall be entitled to any benefits other than those specified herein. No oral statements or prior or contemporaneous written material not specifically incorporated herein shall be of any force and effect, and both parties specifically acknowledge, in entering into and executing this Agreement, that they rely solely upon the representations and agreements contained in this Agreement and no others. This Agreement may not be amended except in writing signed by the parties following public hearings before and resolutions adopted by the Township Board and the City Council. This Agreement may be executed in any number of counterparts and each such counterpart shall be considered a valid original.

(f) There are no intended third party beneficiaries of this Agreement.

(g) This Agreement shall bind the City and the Township, as well as their respective officers, agents, and successors in interest.

The parties have signed this Agreement as of the date first written above by authority of the respective City Council and Township Board.

CITY OF PORTLAND

By: James E. Barnes
James E. Barnes, Mayor

By: Yvonne M. Miller
Yvonne M. Miller, Clerk

Signed: November 5, 2007

TOWNSHIP OF DANBY

By: Richard Pohl
Richard Pohl, Supervisor

By: Kristina Platte
Kristina Platte, Clerk

Signed: November 3, 2007

EXHIBIT A
LEGAL DESCRIPTION OF TRANSFERRED AREA

"City Property"

LEGAL DESCRIPTION: THE NORTH 104 ACRES OF THE NE 1/4 OF SECTION 3, T5N-R5W, IONIA COUNTY, MICHIGAN EXCEPT THAT PORTION OF LAND LYING EAST OF GRAND RIVER AVENUE. ALSO EXCEPTING LAND DESCRIBED AS: BEGINNING AT A POINT ON THE CENTERLINE OF GRAND RIVER AVENUE 430.2 FEET SOUTHEASTERLY FROM THE INTERSECTION OF SAID HIGHWAY WITH THE SECTION LINE BETWEEN SECTION 3, T5N-R5W, AND SECTION 34, T6N-R5W; THENCE SOUTHEASTERLY 195.92 FEET; THENCE SOUTHWESTERLY 415 FEET ALONG AN EXISTING FENCE LINE; THENCE NORTHWESTERLY 195.92 FEET IN A LINE PARALLEL WITH THE HIGHWAY; THENCE NORTHEASTERLY 415 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL ALSO BEING DESCRIBED AS: BEGINNING AT THE NORTH 1/4 CORNER OF SECTION 3, T5N-R5W, DANBY TOWNSHIP, IONIA COUNTY, MICHIGAN; THENCE N 89° 39' 24" E 1061.25 FEET ALONG THE NORTH LINE OF SECTION 3 TO THE CENTERLINE OF GRAND RIVER AVENUE; THENCE ALONG SAID CENTERLINE S 31° 22' 02" E 430.20 FEET (MEASURED 430.67 FEET); THENCE S 59° 27' 02" W 415.00 FEET (MEASURED 415.49 FEET); THENCE S 31° 17' 14" E 195.92 FEET; THENCE N 59° 28' 39" E 415.00 FEET (MEASURED 415.77 FEET) TO THE CENTERLINE OF GRAND RIVER AVENUE; THENCE ALONG SAID CENTERLINE S 31° 22' 02" E 1332.87 FEET; THENCE S 89° 42' 15" W 2066.64 FEET ALONG THE SOUTH LINE OF THE NORTH 104 ACRES OF THE NE 1/4 OF SECTION 3; THENCE N 00° 30' 02" W 1677.63 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SECTION 3 TO THE POINT OF BEGINNING.

"Church Property"

Part of the NW 1/4 of Section 3, T5N-R5W, Danby Township, Ionia County, Michigan, described as: Beginning at the North 1/4 corner of Section 3; thence S 00°30'29" E 659.33 feet along the North-South 1/4 line of Section 3; thence S 89°42'23" W 659.84 feet along the South line of the North 20 acres of the NE 1/4 of the NW 1/4 of Section 3; thence N 00°33'35" W 659.00 feet; thence N 89°40'39" E 660.43 feet along the North line of Section 3 to the point of beginning.

EXHIBIT B
GENERAL DESCRIPTION OF RIGHT-OF-WAY

All of that portion of the East Grand River Avenue right-of-way lying east of the "City Property" described on the preceding Exhibit A from the southeast corner of that property to the northeast corner of that property.



The above depiction represents a general depiction only and shall not be construed as a precise boundary of the permitted area for placement of utility lines and appurtenances to serve the City Property to the extent that the depiction exceeds the boundaries of the road right of way of East Grand River Avenue.